

FAS-930
(08-26-03)**U.S. DEPARTMENT OF AGRICULTURE**
Foreign Agricultural Service**TRADE ADJUSTMENT ASSISTANCE (TAA) FOR FARMERS**
PETITION FOR CERTIFICATION AND ELIGIBILITY FOR A GROUP OF PRODUCERS**NOTE:** The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is the Trade Adjustment Assistance for Farmers, (Pub. L. 107-210). The information will be used to determine program eligibility. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in denial of program benefits. This information may be provided to other agencies.According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0551-0040. The time required to complete this information collection is estimated to average 6 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. **RETURN THIS COMPLETED FORM TO THE ADDRESS LISTED BELOW.**

Please complete all requested information in this form and return it to the following address or fax to (202) 720-0876.

U.S. Department of Agriculture
Import Policies and Programs Division/FAS
1400 Independence Ave., S.W.
Stop 1021
Washington, DC 20250-1021If you need assistance, telephone (202) 720-2916 or
e-mail your questions to:
trade.adjustment@fas.usda.gov.

1. Name of Authorized Representative or Primary Contact Ernest Anderson		2. Name and Business Address (Including City, State, and Zip Code) Organized Seafood Association Of Alabama, Inc. P.O. Box 338 Bayou LA Batre, AL 36509	
3. Telephone Number (Including Area Code) 251-824-3536		5. E-Mail Address and5612@comcast.net	
4. Fax Number (Including Area Code) 251-824-3716			
6. This petition is made on behalf of the following producers: (Use separate sheet for additional producers)			
A. Name of Producers	B. Mailing Address	C. Telephone No. (Including Area Code)	D. E-Mail Address
SHRIMPERS	SAME		

7. COMMODITY INFORMATION:

A. Description of the raw (excludes processed) agricultural commodity: (e.g., fresh raspberries) FRESH OR FROZEN SHRIMPS		B. Commodity's Harmonized Tariff Schedule (HTS) Number (HTS can be found at: http://www.fas.usda.gov/ustrade/) 0306.13.0003, 0306.13.0006, 0306.13.0009, 0306.13.0012, 0306.13.0015, 0306.13.0018, SEE ATTACHM	
C. This petition is for the most recent marketing year for the commodity beginning in JAN 2002 and ending DEC 2002 (month/year) (month/year)			
D. Check whether the certification is to cover a commodity produced nationally or in an "impacted" area (state or states): <input type="checkbox"/> National <input checked="" type="checkbox"/> State(s) (list): ALABAMA			

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotope, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

8. If Item 7D "National" is checked, provide the national average annual price for the most recent marketing year and the 5 preceding marketing years. If Item 7D "State(s)" is checked to indicate that the petition is for an impacted area, provide the relevant average price for the most recent marketing year and the 5 preceding years, and specify the months being averaged if the price is for less than 12 months (seasonal price).

(NOTE: National price data is available for many raw agricultural commodities from the Department's National Agricultural Statistical Service (NASS) at: www.usda.gov/nass.)

A. Marketing Year	B. Average Annual Price				
Most recent: 2002	\$ 3.74				
Provide prices for the 5 years prior to the most recent marketing years. Beginning with the most recent.	C. 5-Year Average Annual Price				
	1 Year ago	2 Years ago	3 Years ago	4 Years ago	5 Years ago
	\$ 4.70	\$ 5.30	\$ 4.93	\$ 4.91	\$ 5.39

9. Basis for request for adjustment assistance. Please explain or attach any documents, which show how increased imports have affected the national price of your product during the most recent marketing year. In your description include any other factors which may also have contributed to lower producer prices.

The final rule published in the Federal Register of August 20, 2003 specified that commercial fishermen would be covered under the Trade Adjustment Assistance Program if the value of their catch was adversely affected by imported, aquacultured products. The data to make this assessment are available, and come from two sources.

The first source is the import database maintained by the Bureau of the Census and available on-line from the International Trade Commission (ITC) [4]. The shrimp import data used in this review reflect "imports for consumption." Thus, both actual, physical entries into the U.S. and withdrawals from stocks in Customs-bonded warehouses are included in these values. All import data are classified by year, month, exporting country, and the ten-digit Harmonized Tariff Schedule (HTS) number. The ITC data web provides timely, accurate information about the volumes and values of imports. However, the specific method used to produce shrimp (i.e., wild-harvests from capture fisheries or farm-raised products from culture systems) is not a classification variable. To estimate the fraction of any country's total production of aquatic and marine organisms attributable to either wild-harvests or culture systems, another set of online databases is required. These data are maintained by the Food and Agriculture Organization of the United Nations [5]. Two distinct data bases express the annual production of various aquatic and marine organisms attributable to either wild harvests or culture systems so percentage values can be computed for each species produced in reporting countries. For example, in 2001 Thailand produced 4.7 billion pounds of shrimp (expressed on a live weight basis). Wild harvests generated 182 million pounds (3.9 percent of total Thai shrimp production) while shrimp culture yielded 4.5 billion live weight pounds (96.1 percent). To apply the computed capture/culture percentage values to shrimp imports by country, the assumption is made that a country's shrimp exports to the U.S. parallel the computed capture/culture fraction

10A. SIGNATURE OF AUTHORIZED REPRESENTATIVE OR PRIMARY CONTACT	10B. TITLE PRESIDENT	10C. DATE SIGNED 10-29-03
11A. SIGNATURE OF FAS REPRESENTATIVE	11B. TITLE	11C. DATE

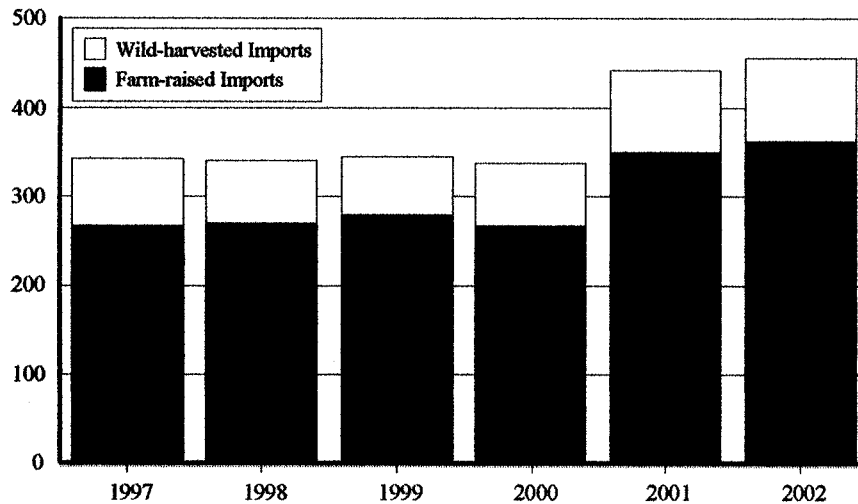
Continuation of Section 9 (Basis for request for adjustment assistance)

Utilizing the approach outlined in the preceding paragraph, work completed earlier this year suggests that 80 percent of all shrimp imported to the U.S. was farm-raised between 1997 and 2001. Between 1997 and 2000 imports of shell-on, headless shrimp ranged from 339 million pounds to 345 million pounds, and averaged 342.4 million pounds (Table 5.). **Beginning in 2001 however, imports within the shell-on, headless fraction alone increased by approximately 103 million pounds; a 30 percent increase over 2000 imports.** In 2002 imports of shell-on, headless shrimp equaled 456 million pounds; a 14 million pound increase over the previous year.

Table 5. U.S. Imports of frozen, shell-on, headless shrimp classified by production method

Y ea r	Pounds of shell-on, headless shrimp		
	Wild- harvested	Farm-raised	Total
1 9 9 7	73,263,198	270,441,356	343,704,554
1 9 9 8	68,752,436	273,204,201	341,956,637
1 9 9 9	62,982,582	281,980,344	344,962,926
2 0 0 0	67,855,602	270,942,858	338,798,460
2 0 0 1	88,039,868	353,618,211	441,658,079
2 0 0 2	90,720,387	365,160,954	455,881,341

Millions of pounds



U.S. Imports of frozen, shell-on, headless shrimp classified by production method

The recent history of imported, shell-on, headless shrimp demonstrates an unprecedented increase between 2000 and 2001 with an additional increase in 2002 over the 2001 level. Likewise, Table 1 (above) demonstrates that annual, ex-vessel shrimp prices have eroded in both 2001 and 2002. However, questions remain about why shrimp imports increased so dramatically within 2001 and continued through 2002. Solving this riddle requires looking first to Southeast Asia, a major shrimp-farming region, then to the European Union where tariff and non-tariff barriers exist for many of their imports.

Several factors contributed to what many in the domestic shrimp industry have called a debacle. Growing supplies of cultured shrimp coincided with a global economic slowdown that began in the second half of 2000. This set the stage for a general softening of prices that has affected every member of the worldwide shrimp industry. Additional downward pressure on U.S. ex-vessel and wholesale prices resulted from three other issues. First, aggressive enforcement by the European Union (E.U.) for banned antibiotics prevented non-compliant imports from entering that trading block. This preemption resulted in additional quantities being rerouted to the only other major market in the world – the U.S. Second, a sharply-higher tariff rate imposed by the E.U. on shrimp imported from certain Asian countries in December 2001 made those shrimp less expensive in competing markets like the U.S. Third, until recently, the dollar was quite strong against other currencies which also made imports less expensive in the American market. These four conditions have resulted in record imports to the U.S. market since 2001. This onslaught of lower-priced imports has dramatically reduced ex-vessel shrimp prices by \$1.00 to \$2.00 per pound depending upon the size count.

(Information taken from: Documentation to Support a Petition from the Texas Shrimp Industry for Certification and Eligibility to the Trade Adjustment Assistance Program of the U.S. Department of Agriculture, Prepared by Michael G. Habey, Professor and Extension Economist Seafood, Department of Agricultural Economics, Texas Cooperative Extension, Sea Grant College Program, Texas A&M University. Mailing address: Texas A&M University Agricultural Research and Extension Center, 10345 Agnes St., Corpus Christi, TX 78406-1412. Telephone: 361/265-9203, Fax: 361/265-9434, E-mail: m-haby@tamu.edu.

Shrimp disaster methodology.

Shrimp are sold by size which is expressed as the number (count) of shrimp per pound. The prices paid for standardized count groups (for example 26-30 shrimp tails per pound) are published monthly by the National Marine Fisheries Service, Statistical Division in the "Market News".

These monthly prices from the Northern Gulf were averaged for each year (1997 -2002) and count group. The average yearly price for each count group was multiplied by the weight of shrimp landed in Alabama for that size group to properly "weight" the contribution of each size group. Landing by size group for Alabama were provided by National Marine Fisheries Service, Galveston Lab. The Galveston Lab "lumps" the size groups 31-35 and 36-40 into a single size group (31-40). The 31-35 and 36-40 monthly prices were aggregated to provide average yearly prices before multiplying by the weight of landings.

The resulting weighted values of each count group were summed for each year to give a total value of the shrimp catch and divided by the total weight of landing for that year to get a single price per pound per year.

The 5 year (1997 -2001) average price was determined and the 2002 price was divided by the 5 year average. The result indicated a 0.74 reduction in price in 2002 from the 5 year average.

ATTACHMENT TO BOX 7 B

CONTINUATION OF HTS #'S 0306.13.0021, 0306.13.0024, 0306.13.0027